

SB 851 A STAFF MEASURE SUMMARY

Senate Committee On Education

Action Date: 04/07/21

Action: Do pass with amendments and requesting referral to Ways and Means. (Printed A-Engrossed.)

Vote: 3-2-0-0

Yeas: 3 - Dembrow, Gelser, Gorsek

Nays: 2 - Robinson, Thomsen

Fiscal: Fiscal impact issued

Revenue: Revenue impact issued

Prepared By: Matt Perreault, LPRO Analyst

Meeting Dates: 4/5, 4/7

WHAT THE MEASURE DOES:

Requires Higher Education Coordinating Commission (HECC) to provide grants to nonprofit corporations to provide affordable rental housing for public university students who are experiencing homelessness or are at risk of homelessness. Requires HECC to report on grants to legislative committees by September 15, 2023. Sunsets January 2, 2024. Appropriates \$280,000 from General Fund to Higher Education Coordinating Commission for biennium beginning July 1, 2021. Declares emergency, effective July 1, 2021.

ISSUES DISCUSSED:

- Prevalence of housing insecurity among students in higher education
- Impact of COVID-19 pandemic on homelessness and housing insecurity
- Importance of affordable housing for academic success
- Current partnerships between institutions of higher education and providers of affordable housing
- Rising costs of housing and tuition

EFFECT OF AMENDMENT:

Appropriates \$280,000 from General Fund to Higher Education Coordinating Commission for upcoming biennium for grant program.

BACKGROUND:

According to the U.S. Government Accountability Office, students in post-secondary education are significantly more likely to experience housing and food insecurity, which are risk factors for experiencing homelessness, particularly in areas with a relatively high cost of living. The U.S. Department of Housing and Urban Development determines the Area Median Income (AMI) for each region of the country, setting a standard for the affordability of housing. Affordable rental housing is housing that is reserved for individuals whose income is below a certain percentage of the AMI for that region. Providers of affordable rental housing typically take advantage of the Low-Income Housing Tax Credit (LIHTC), also known as Section 42.

Senate Bill 851 A requires the Higher Education Coordinating Commission to provide grants to nonprofit organizations to offer affordable housing to students of public universities, requires the commission to report to legislative committees on the grants, and appropriates moneys from the General Fund to administer grants for the upcoming biennium.